

**NEW JERSEY SUSTAINABLE ENERGY JOINT MEETING
OPEN MINUTES
MEETING OF APRIL 29, 2011
1 PM CONFERENCE CALL**

Meeting called to order by Chairman Richard Brook. The Open Public Meeting Notice was read into the record.

ROLL CALL OF COMMISSIONERS:

<u>State Rep.</u>
William Close, Town of Dover
Charles Cuccia, Saddle River
Lyn Evers, Piscataway Twp.
Thomas Nolan, Brielle Borough
Richard Brook, Florence Twp.
Joan Leanord, Collingswood
<u>Alternate Rep.</u>
Greg Poff, Rockaway Twp.
Greg Franz, Edgewater Borough
Michael Gianforte, Two Rivers Water Rec. Authority
Linda Dougherty, Edgewater Park Township
Terry Shannon, Barrington

Present from the above group were: Richard Brook, Greg Franz, Lyn Evers, Charles Cuccia and Tom Nolan.

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	PERMA Risk Management Services	James Kickham	Present
Attorney		Erin Simone	Present
Treasurer		William Garofalo	Present
Energy Consultant	The BSG/PMK Group	Fred Fastiggi	Present

Also Present:
Stephen Sacco, PERMA
Tara Pasca, BSG

Executive Director:

Electric Auction-The purpose of today's meeting is to continue with our review of the auction results and our decision to move forward.

On April 12, 2011 and again on April 27, 2011, the NJ SEM went out to bid, through a reverse auction platform through World Energy, for electric supply services for the NJ SEM

members. Unfortunately, neither of those auctions produced a bid below the strike price of \$0.09296 for the PSEG fixed price accounts. Therefore, pursuant to N.J.S.A. 40A:11-5(3)(b), the NJ SEM rejected the bids provided and started its negotiation process. We are currently negotiating with third party suppliers who bid at the prior auctions to secure a contract at the above referenced strike price.

The Executive Committee decided to continue to negotiate up to the cut off point of May 9, 2011. This will allow us time for the market to possibly lower. If the NJ SEM is successful in securing a contract for the PSEG fixed price accounts at or below the strike price of \$0.09296 on or before **May 9, 2011**, the NJ SEM will enter into a contract on behalf of all SEM Members who did not opt out of the prior auctions.

However, The executive Committee also decided that if the NJ SEM is not successful at securing a contract at or below the strike price by May 9, 2011, the NJ SEM intends to rebid the PSEG Fixed Price Accounts. Should that occur, the NJ SEM will be going out to bid for Electricity Supply Services **between May 10, 2011 and June 11, 2011** at a time to be determined.

The SEM will participate in an auction for the purchase of electricity from a supplier. This auction will be for Electricity Supply Services only and will be only for the PSEG fixed price accounts, which will be bid in two separate groups: one bid for those SEM Members with GLP accounts only and one bid for those SEM Members with both GLP and LPL-S accounts. In setting the SEM's initial auction strike prices, the lowest projected monthly default price for the GLP tariff was used and targeted both GLP and LPL-S accounts even though LPL-S customers would have had a higher default price. The suppliers suggested that by separating the solicitations into one auction with GLP-only customers, and one auction with multiple tariff customers, and computing a separate strike price for each, we would have a much higher chance of successfully placing this volume.

This May/June 2011 bids will be solely for PSEG fixed price accounts and will be for a contract term of eleven (11) months.

MOTION TO PROCEED AS OUTLINED ABOVE; CONTINUE TO NEGOTIATE UNTIL MAY 9, 2011 AND IF UNSUCCESSFUL, TO RE ADVERTISE AND RE BID THE PSEG ACCOUNTS AFTER THEY ARE SEPARATED AND SPLIT INTO TWO SEPARATE AUCTIONS

MOTION:	Commissioner Nolan
SECOND:	Commissioner Cuccia
VOTE:	Unanimous

Meeting Adjourned: 1:40 PM

Respectfully submitted,